IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF PUERTO RICO

HERIBERTO MORALES, his wife DORIS VISBAL and the CONJUGAL PARTNERSHIP constituted between them,

Plaintiffs.

v.

TOTAL PRETROLEUM PUERTO RICO CORPORATION; FRANKIE VEGA, his wife JANE DOE and the conjugal partnership constituted between them, ABC COMPANIES, and XYZ INSURANCE COMPANIES.

Defendants.

CIVIL NO. 09-1478 (JAG)

REPORT AND RECOMMENDATION

On May 28, 2009, the Court denied plaintiffs' request for a temporary restraining order filed the day before. (Docket Nos. 4 and 8). On the same day, plaintiffs' request for a preliminary injunction was referred to this Magistrate Judge. (Docket Nos. 9 and 10).

On June 18, 2009, a Status Conference was held in which counsel Raúl González-Toro for plaintiffs, and counsel Maite D. Oronoz-Rodríguez, Xana M. Connelly, Lee Sepulvado, Manuel Correa Márquez and Juan Saavedra-Castro for the co-defendants were present. Also present were plaintiff Heriberto Morales, co-defendant Frankie Vega and Total's in house counsel Jan Carlos Rodríguez.

Counsel explained in detail to the court the legal positions of their respective clients.

In an effort to preserve the existing business relationship of the parties, the undersigned strongly encouraged the parties to discuss the particulars of this case and try to reach a settlement in a good faith effort.

After considerable efforts were made by the parties and counsel, an agreement was reached by the parties as to the preliminary injunction. The parties met in chambers and drafted a "Proposed Settlement Agreement for Request of Preliminary Injunction" which

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was submitted to the undersigned. The parties jointly request the approval of said Settlement Agreement as to the issues pertaining to the preliminary injunction as requested in the "Request for Temporary Restraining Order and Preliminary Injunction" (Docket No. 4) within the terms and conditions therein stipulated.

In view of the agreement reached by the parties, it is recommended to the Court that the "Proposed Settlement Agreement for Request of Preliminary Injunction", which is attached hereto and made part of this Report and Recommendation, be APPROVED in its entirety.

Finally, the parties and counsel are commended for their effort.

IT IS SO RECOMMENDED.

In San Juan, Puerto Rico, this 19th day of June of 2009.

s/CAMILLE L. VELEZ-RIVE CAMILLE L. VELEZ-RIVE UNITED STATES MAGISTRATE JUDGE